RULE 3-404 PLUGGING AND PLUGGING BACK PROCEDURES

A. Scope.

This rule establishes minimum standards for plugging and plugging back wells. The standards apply to:

- Wells drilled for the production of oil or gas;
- 2. Wells drilled or used for disposal or enhanced recovery injection;
- Wells used in subsurface gas storage units;
- 4. Monitoring wells in enhanced recovery projects or subsurface gas storage units;
- 5. Wells plugged back for
 - Oil or gas production;
 - b. Disposal or injection; or
 - c. Conversion to a water well;
- 6. "Rat hole" or "mouse holes" used in rotary drilling of wells;
- Wells used for geophysical or geological exploration.
- 8. Wells used for other service operations.
- B. Application of the Rule and Cross References:
 - Paragraph N provides for administrative approval of alternative plugging procedures if downhole problems in a wellbore prevent an operator from complying with the minimum standards established by this rule.
 - 2. Paragraph O of this rule applies to plugging of "rat holes" and "mouse holes" used at the surface during rotary drilling.
 - 3. OCC-OGR 3-406 establishes additional procedures for identification and control of wellbores in which certain logging tools have been abandoned.
 - 4. Paragraph Q of this rule establishes the minimum standards for plugging wellbores used in seismic exploration.

Should the lease or unit containing any well which is exempted from plugging by an approved Notice of Temporary Exemption from Plugging become a nonproducing lease or unit, which shall be determined by the lack of any producing wells, those wells which were exempted from plugging must be properly plugged within thirty (30) working days unless:

- An application to convert the well or wells to injection or disposal wells is on file and proper notice sent according to Corporation Commission rules; or
- 2. An exception is granted by order of the Commission upon application, notice, and hearing; or
- 3. An application requesting an exception has been filed and notice of the application has been given according to the Commission's rules; or
- 4. The stripper well exemption under paragraph L. of this rule applies.
- I. Disapproval of Form 1003A Application:

The Conservation Division may administratively disapprove a Notice of Temporary Exemption from Plugging if:

- 1. The operator has permanently abandoned the lease or unit; or
- 2. The information provided pursuant to Paragraph G indicates the method used by the operator fails to prevent a risk of pollution, contamination of known treatable water formations, hazard to drilling in the area, or fire hazard; or
- 3. The operator is not in compliance with this rule, OCC-OGR 3-201.1, or OCC-OGR 3-203.1.

In the event the Conservation Division disapproves a Notice of Temporary Exemption from Plugging, the operator shall be notified of the reason or reasons for disapproval and shall have sixty (60) days from receipt of said notification to satisfy the requirements of the Conservation Division, plug the well, or file an application for a hearing to determine whether under all of the circumstances of the cause, the Temporary Exemption should be granted.

J. Administrative Resolution of Complaints:

formations containing oil, gas, or known treatable water, in which case or cases the well shall be plugged within twenty-four (24) hours.

E. Time Period for Plugging Well with Production Casing:

Unless exempted under provisions contained elsewhere in this rule, any well which has production casing in place shall be plugged within one (1) year after the latter of:

- Cessation of drilling if the well was not completed or tested; or
- Cessation of the latter of completion or testing if the well has not produced; or
- $(7)^{\circ}$ 3. Cessation of production.

F. Wells Exempted from Plugging:

The following wells which have production casing in place shall be exempt from Paragraph E above:

- 1. Shut in gas wells, which, for the purpose of this rule, shall be considered producing wells in operation.
- 2. Any well for which a written order of the Commission granting a specific exception to plugging is in full force and effect.
- Supply wells or wells authorized by order of the Commission for injection or disposal purposes and are in compliance with the rules of the Commission.
- 4. Any well described in Paragraph E above, so long as:
 - a. Said well is located on an otherwise producing lease or unit which shall be determined by the presence of another well or wells on the lease or unit which are producing oil and/or gas; and
 - b. A Notice of Temporary Exemption from Plugging, which shall be Form 1003A as described in Paragraph F hereunder, has been filed and approved by the Oil and Gas Conservation Division, and a sign is posted and maintained at the well site as similarly required by OCC-OGR 3-203(B), and
 - (1) a drillable plug, retrievable plug, or temporary bridge plug is set above the producing interval in the cemented portion of the casing; or

RULE 3-400 ABANDONMENT AND PLUGGING OF WELLS

RULE 3-401 DUTY TO PLUG AND NOTICE OF TEMPORARY EXEMPTION FROM PLUGGING

A. Scope:

This rule applies to:

- Joint and several liability of the owners and operator of a well for plugging.
- Time periods for plugging wells:
 - a. without casing,
 - b. with only surface casing and cement,
 - c. with production casing.
- 3. Wells exempted from plugging.
- 4. Notice of Temporary Exemption from Plugging granting permission to postpone plugging of a well.
- B. Joint and Several Liability of Owners and Operators:

Any working interest owner and operator of any oil, gas, disposal, injection, or other service well, or any seismic, core, or other exploratory hole, whether cased or uncased, shall be jointly and severally liable and responsible for the plugging thereof in accordance with these rules.

C. Time Period for Plugging Well Without Casing:

Each well in which neither production casing nor surface casing has been run shall be properly plugged within seventy-two (72) hours after drilling or testing is completed. However, should the lack of production and surface casing create a fire hazard or a risk of contaminating the environment or formations containing oil, gas, or known treatable water, said well shall be properly plugged within twenty-four (24) hours after drilling and testing is completed.

D. Time Period for Plugging Well with Only Surface Casing and Cement:

Each well in which only surface casing has been run and cemented in conformance with OCC-OGR 3-206 shall be properly plugged within ninety (90) days after drilling or testing is completed unless the lack of production or intermediate casing creates a fire hazard or risk of contaminating the environment or

- (2) tubing with suitable wellhead pack-off and packer is set above the producing interval in the cemented portion of the casing; or
- (3) a fluid level test has been conducted using acoustical, measuring or wireline pressure bomb, or other reliable method of indicating the fluid level is no higher than fifty (50) feet below treatable water base of the known formations. District personnel of Corporation Commission shall be notified no less than twenty-four (24) hours prior to the test being conducted so they may exercise their option to witness the test. Where an operator elects to run a fluid level test, such test shall be repeated and reported on Form 1003A annually thereafter until said well is put back into operation, converted to a disposal or well, or permanently plugged and injection abandoned. Additionally, the operator shall install appropriate wellhead pack-off valve or wellhead valve and maintain such throughout the temporary abandonment period.
- c. Said well and well site are maintained in a neat and orderly manner.
- G. Notice of Temporary Exemption from Plugging:
 - A Notice of Temporary Exemption from Plugging, Form 1003A, shall:
 - 1. Provide any new information which differs from that reported on the latest filed Form 1002A; and
 - 2. The reason for not permanently plugging the well; and
 - 3. If a plug is elected, the type of plug and depth set; or
 - 4. If tubing with suitable wellhead pack-off and packer is elected, the depth at which the packer is set; or
 - 5. If a fluid level test is elected, the type of test, the date the test was conducted, the results of the test, and the type of fluid in the well. If the well contains drilling mud, the weight per gallon of the mud also should be reported.
- H. Expiration of Notice of Temporary Exemption from Plugging (Not for Stripper Well):

Should an interested party file a complaint concerning any well described in Paragraph F.4.b(3), the Conservation Division, in an effort to determine the validity of the complaint, may order the operator of the well to conduct another fluid level test regardless of when the last test was conducted and reported to the Commission.

K. Exceptions to Rule by Order:

Exceptions to the requirements of this rule may be granted by order of the Commission upon application, notice and hearing.

L. Stripper Well Exemption:

Should a lease or unit contain a stripper oil well or a stripper gas well, the stripper well may be temporarily plugged by the operator pursuant to paragraph F.4.b. & c. and paragraph G. of this rule for an indefinite period not to exceed two (2) years. Nothing herein is intended to extend the term of the lease past the time it would otherwise expire by reason of such temporary plugging. As used in this paragraph:

- 1. "Stripper oil well" means a well whose average daily production did not exceed ten (10) barrels of oil per day during any preceding consecutive twelve-month period; and
- 2. "Stripper gas well" means any well qualifying as such under Section 108 of the Natural Gas Policy Act of 1978, 15 U.S.C.A. §3318 (P.L. 95-621).

RULE 3-402 NOTICE

A separate "Notification of Intention to Plug" for each well shall be filed, in duplicate, with the Conservation Division on Form 1001 at least five (5) days prior to the commencement of plugging operations. The Director of Conservation may waive or reduce the five-day notice requirement whenever a qualified representative of the Conservation Division is available to supervise the plugging operation. Each operator of each off-set producing lease shall be notified prior to the plugging of any well other than a dry hole. (3-1-76)

RULE 3-403 SUPERVISION AND WITNESSING

Each plugging operation shall be conducted under the supervision of an authorized representative of the Conservation Division. The plugging operator shall notify the appropriate District Office of the Conservation Division of the exact time or times during which all plugging operations will take place within sufficient time to enable a representative of the Conservation Division to be present. (1-1-72)